

## New income guidelines take effect with your July coverage

Every spring, the federal government publishes new income guidelines. These guidelines are the basis for determining Basic Health eligibility and monthly premiums. **Because of the new income guidelines, the portion of your monthly premium you pay to your employer or financial sponsor may change.**

Any time your income or family size changes, Basic Health will determine whether it changes your "income band," as shown on the table below. If you move to a different income band, your premium will change. Be sure to keep Basic Health informed of any changes to your income or family size.

Income Table								
Number of Persons in Family								
Gross Monthly Income	1	2	3	4	5	6	7	Income Band
	\$0 - \$518.37	\$0 - \$694.95	\$0 - \$871.54	\$0 - \$1,048.12	\$0 - \$1,224.70	\$0 - \$1,401.29	\$0 - \$1,577.87	A
	518.38 - 797.49	694.96 - 1,069.16	871.55 - 1,340.83	1,048.13 - 1,612.49	1,224.71 - 1,884.16	1,401.30 - 2,155.83	1,577.88 - 2,427.49	B
	797.50 - 996.87	1,069.17 - 1,336.45	1,340.84 - 1,676.04	1,612.50 - 2,015.62	1,884.17 - 2,355.20	2,155.84 - 2,694.79	2,427.50 - 3,034.37	C
	996.88 - 1,116.49	1,336.46 - 1,496.83	1,676.05 - 1,877.16	2,015.63 - 2,257.49	2,355.21 - 2,637.83	2,694.80 - 3,018.16	3,034.38 - 3,398.49	D
	1,116.50 - 1,236.12	1,496.84 - 1,657.20	1,877.17 - 2,078.29	2,257.50 - 2,499.37	2,637.84 - 2,920.45	3,018.17 - 3,341.54	3,398.50 - 3,762.62	E
	1,236.13 - 1,355.74	1,657.21 - 1,817.58	2,078.30 - 2,279.41	2,499.38 - 2,741.24	2,920.46 - 3,203.08	3,341.55 - 3,664.91	3,762.63 - 4,126.74	F
	1,355.75 - 1,475.37	1,817.59 - 1,977.95	2,279.42 - 2,480.54	2,741.25 - 2,983.12	3,203.09 - 3,485.70	3,664.92 - 3,988.29	4,126.75 - 4,490.87	G
	1,475.38 - 1,595.07	1,977.96 - 2,138.44	2,480.55 - 2,681.80	2,983.13 - 3,225.16	3,485.71 - 3,768.52	3,988.30 - 4,311.88	4,490.88 - 4,855.24	H

Effective July 1, 2005 - June 30, 2006

# What is the “real” cost of Basic Health coverage?

Health care can be expensive. That's why Basic Health offers reduced-premium coverage to 100,000 people across Washington state.

As a Basic Health member, you and your financial sponsor pay a portion of the actual cost of your coverage; the rest is paid by the state. The portion of the premium you pay is determined by the health plan chosen, the county where you live, number and ages of family members, income, and the amount your financial sponsor chooses to contribute.

Each month, Basic Health sends payment to the health plan you've chosen for your coverage. The amount we pay to the health plan includes the amount you and your financial sponsor pay

to Basic Health (your monthly premium) plus the amount paid by the state (the premium subsidy). For instance, the average amount Basic Health pays to the health plans each month for coverage of a 40-year-old member is \$206.55. If that member and his or her financial sponsor pays a \$52 monthly premium, the state pays the difference of \$154.55 each month toward the actual cost of the coverage. On average, the state pays about 81 percent of the total amount paid to the health plan for each member.

Hand in hand with you, we're working together to keep your family healthy, and to make the most of the investment in your health care dollars.

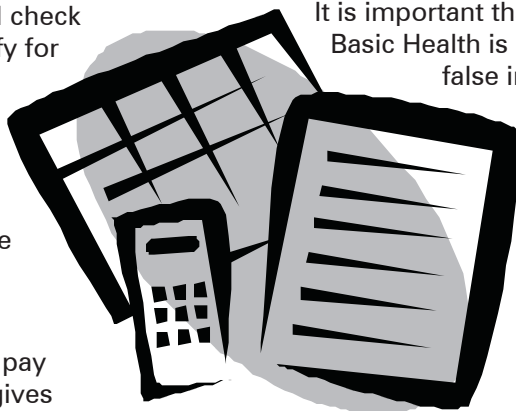
## Figuring your monthly income

At least once each year, Basic Health will check your income to make sure you still qualify for the program, and what your monthly premium will be. To do this, we will ask you for current pay stubs and a copy of your most recently filed IRS Form 1040 and all schedules. We will also ask for proof that you are a Washington State resident. You are required to return this information to us.

Once we receive it, we will compare the pay stubs and tax information to see which gives us the most current picture of your income. This process is called "recertification". You will receive detailed instructions when your account is selected for the process.

## Providing false information

It is important that any information you provide to Basic Health is accurate and timely. Do not report false information or withhold information required for your Basic Health membership. If you do, Basic Health may require you to pay up to two times the amount the state paid for your coverage. You can also be disenrolled from Basic Health, prosecuted, and billed for any medical services you received.



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This serves as official notice of changes to your Basic Health coverage, and is an addendum to your *Member Handbook*.

To obtain this document in another format (such as Braille or audio), call our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users (deaf, hard of hearing, or speech impaired), call 360-923-2701 or toll-free 1-888-923-5622.

Si desea ayuda en español, llame al 1-800-321-0291. Для обслуживания на русском языке, позвоните, пожалуйста, по телефону 1-800-387-8224.  
한국어로 도움을 원하시면 1-800-324-1658로 연락하십시오. Nếu quý vị muốn được giúp bằng tiếng Việt, xin gọi số 1-800-423-2231.